



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 796

PRINTERS NO. 2160

PRIME SPONSOR: Solomon

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	\$0	See "Fiscal Impact"
School District Funds	\$0	\$0

SUMMARY: Establishes the Schools-to-Work Act within the Department of Labor & Industry (L&I) to award grants, on a competitive basis, to support the establishment or enhancement of workforce development partnerships between schools, employers, organizations or associations to create employment and training pathways. This legislation would take effect in 60 days.

ANALYSIS: The Schools-to-Work Act establishes the Schools-to-Work Program in L&I. L&I must work in consultation with the Department of Education (PDE) to award grants, on a competitive basis, to support the establishment or enhancement of workforce development partnerships between schools, employers, organizations or associations to create employment and training pathways. The purpose of these partnerships is to increase workplace learning opportunities for students in order to create a pipeline of students to fill current and anticipated needs for employees with necessary job qualifications and certifications.

Grant Proposal: In order to apply for a grant under the program, a sponsor must submit a grant proposal to L&I that includes all of the following:

- Partnership with at least one school;
- Work-based learning opportunities for participating students;
- Identification of the qualifications and certifications necessary to fill current and anticipated regional labor market needs;
- Description of outcomes from the successful completion of the program,
- Pathways for transition to a registered apprenticeship program, post-secondary education program or employment;
- Demonstration of existing qualified program personnel, or identification of additional personnel needed to establish or increase program capacity to meet current and anticipated regional labor market needs;
- Description of program curricula;
- A program budget, including the amount of grant money being requested and any additional financial resources.

A "sponsor" is defined as an entity which is or will be registered with the L&I as a preapprenticeship program and which will have the full responsibility for the administration and operation of the program.

L&I must give priority to proposals that do the following:

- Demonstrate a strong need to build new or existing program capacity to meet current and anticipated regional labor market needs;
- Incorporate students from grades nine (9) through twelve (12);
- Prioritize program completion and transition to post-secondary training, education or employment;
- Involve a partnership between multiple schools or districts, employers, organizations or associations;
- Demonstrate sustainability by leveraging additional financial or personnel resources.

Grant Distribution: L&I, in consultation with PDE, must award program grants while taking geographic diversity into consideration when selecting grant recipients. Grant money may only be used for the purposes stated in the grant proposal and any unused funds shall be returned to L&I.

Reporting Requirements: A grant recipient must annually report program data as follows:

- the number of students who entered the program and successfully completed or earned industry-recognized qualifications, certifications or college credits;
- the number of students who transitioned to post-secondary training, education or employment
- other relevant or necessary data L&I, in consultation with PDE, requires.

Annual Reports: L&I must provide an initial report to the General Assembly within two years of commencement of the program and each year thereafter that the program is in effect.

Notice of Funding: L&I must notify LRB when sufficient money is available to implement the grant program and begin awarding grants for publication in the PA Bulletin

Expiration Date: This act shall expire June 30, 2024, or five (5) years after the effective date of this act, whichever is later.

FISCAL IMPACT: This legislation would have no adverse fiscal impact on Commonwealth or school district funds as the program would only be implemented if sufficient funding was appropriated. The Department of Labor and Industry indicates that their administrative costs could be roughly 10% of the amount of the grant program since all of its workforce staff are federally funded and the costs related to this legislation could not be charged against any federal appropriation.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 24, 2019

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.